

**UNEMPLOYMENT
INSURANCE AGENCY**

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What is Suitable Work?

Michigan's unemployment insurance law requires individuals collecting unemployment benefits to seek full-time suitable work and accept an offer of suitable work. In deciding whether full-time or part-time work is "suitable," the law considers the following criteria:

- Prior earnings
- Length of unemployment
- Prior training and work experience
- Distance of the offered work to the worker's place of residence
- The degree of risk involved to the worker's safety and health

During the first half of a worker's weeks of unemployment benefit payments, the worker is required to accept any suitable work offer if the pay is at least 70% of his or her last gross pay in addition to the above criteria.

After collecting half (50%) of the worker's entitled weeks, an unemployed worker must apply for, and accept work that is outside of his or her past training and experience if the pay is at least:

1. 120% of his or her weekly benefit amount (WBA);
2. the average wage for the particular work in the locality where the work is offered; and
3. the state minimum hourly wage (currently \$7.40 an hour).

The law says that if a worker refuses an offer of suitable work, without good cause, the worker may be disqualified from receiving unemployment benefits.

A job is unsuitable if it is vacant due to a labor dispute, if it pays less than the usual wage for that job in the area, or if a worker would be required to join, resign from, or refrain from joining, a union.

How Does the UIA Determine Average Wage Information?

State law requires the UIA to use an online database published by the state. The UIA uses a database published by the Department of Technology, Management, and Budget (DTMB) to determine average hourly and average annual wage information for a specified occupation or job title within a geographic area. This searchable Internet database is available to the public at: <http://milmi.org/cgi/dataanalysis/AreaSelection.asp?tableName=Oeswage>

The following are some examples of refusal of suitable work situations:

Example 1: Suitable Work During the First Half of Benefits

An unemployed electrical engineer files for benefits after being laid off from a manufacturing company. She receives a determination entitling her to 20 weeks of benefits at a weekly benefit amount of \$362. The unemployed worker has a degree in engineering and is diligently seeking suitable, full-time work while collecting benefits. After collecting 8 weeks of unemployment benefits, she is offered a full-time job as an engineer near her place of residence with a work commute of 10 miles. The pay offered is at a gross wage of \$42,000 per year. Her gross wage at her last employer was \$60,000 per year.

Is this Considered Suitable Work?

The work offer is consistent with her past training and work experience and is near her home. The pay offer is at least 70% of her last gross wage ($\$60,000 \times .70 = \$42,000$). Unless one of the other criteria prevents this job from being suitable, such as a risk to her health or safety, the work offered is suitable.

Example 2: Suitable Work After Collecting Half of Benefits

An unemployed medical assistant files for unemployment benefits in March of 2012 after being laid off from a local hospital. He receives a determination entitling him to 20 weeks of benefits at a weekly benefit amount of \$324. He has previous training in the medical field and is certified as a medical assistant with prior work experience as a waiter. After collecting 14 weeks of unemployment benefits, he is offered a part-time job working 25 hours per week as a word processor at an insurance company near his home in Detroit. The offered wage is \$16 per hour.

Is this Considered Suitable Work?

Since he collected half of his benefits, he must accept any work offer, regardless of his prior work experience and training as a medical assistant, if the work pays a gross amount of at least 120% of his weekly benefit amount, is the average wage in the locality of the type of work offered, **and** is at least the state minimum hourly wage (currently \$7.40 an hour). In this example, the hourly pay offer exceeds the state minimum hourly wage and the gross pay is greater than 120% of his weekly benefit amount. See below for calculations.

- **Gross Wages Per Week Offered** = 25 hours of work x \$16 per hour = \$400 per week
- **Weekly Benefit Amount (WBA)** = \$324
- **120% of WBA** = \$324 x 1.20 = \$388.80 rounded down to \$388.
- \$400 gross earnings offered per week is greater than \$388, which is 120% of his WBA

However, to be suitable work, the pay offer must also be the average wage for the type of work in the location where the work is offered. In this example, the unemployed individual was offered work as a word processor in Detroit. Using the DTMB online database explained earlier, the most recent average hourly wage for a word processor in the Detroit Metropolitan Statistical Area is \$17.60. Since the pay offer is less than the average hourly wage in the locality, the work offer would be unsuitable and he may continue to collect benefits if it is determined that he is not disqualified.

Protesting or Appealing a Disqualification Decision: If you have received a determination disqualifying you from benefits due to your refusal of suitable work, you may protest or appeal the (re)determination within 30 days of the mail date on the (re)determination. During an appeal hearing, the employer must prove that a specific offer of work was made to you and that it was suitable. On the other hand, you will have to prove that the offer was not received, or you may have to show why the work was unsuitable, or you may have to explain that you had good cause for refusing the work.